



Nebraska Appleseed Center
For Law in the Public Interest
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September 15, 2005

Secretary Mike Johanns
United States Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

Dear Secretary Johanns,

Welcome back to Nebraska. It is my pleasure to attend this Farm Bill Forum at Husker Harvest Days in Grand Island. Thank you for the opportunity to share comments on one of the many important aspects of the Farm Bill: the federal Food Stamp Program. The unfolding devastation from Hurricane Katrina has highlighted the enormous need for the Food Stamp Program and the **tremendous good** that the Food Stamp Program does!

In Nebraska, the Food Stamp Program helps feed thousands of Nebraska's most vulnerable each month: children (including the unborn), seniors, and the disabled. In addition to taking care of those who cannot care for themselves, the Program is extremely effective in transitioning families to self-sufficiency. In Nebraska, as in many other states across the country, heads of households must work at least 30 hours a week to qualify for the Food Stamp Program. During the time families utilize Food Stamps, they gain more work experience, training, and education so that they no longer need food assistance and can be truly self-sufficient with increased earnings.

The Food Stamp Program's national benefit structure and its federal guarantee of benefits to eligible households are crucial to ameliorating hunger and poverty and to responding to economic downturns. It is disconcerting that in this years' federal budget, the possibility exists that potentially large budget cuts and proposals could begin to change the very entitlement structure of the program, unraveling the fundamental guarantee of nutrition assistance that the Food Stamp Program provides. There are many reasons and indicators that demonstrate why the Food Stamp program is efficient and should be preserved in its present form.

The Food Stamp Program is Efficient. On May 5, 2005, the Government Accountability Office (GAO) released a report showing that efficiency in the Food Stamp program nationwide has reached its best level in history. These findings contradict the suggestions and claims of high rates of "fraud, waste, and abuse" in the Food Stamp Program.

Among the findings of the GAO report were the following:

- The error rate for the Food Stamp Program has declined by almost one-third over the past five years from 9.86 percent in 1999 to a record low of 6.63 percent in 2003.
- 98 percent of households receiving food stamps were eligible for the program.

- By reducing the error rate between 1999 and 2003, the Food Stamp Program avoided paying out some \$700 million in erroneous payments in 2003 that it otherwise would have paid had the error rates from 1999 remained constant.
- Declining error rates in the Food Stamp Program have occurred at a time of rapidly rising participation in the program, showing increased efficiency and targeting of resources.

In addition, the State of Nebraska received a bonus award in 2005 for the best negative error rates in the Food Stamp Program.

The Food Stamp Program helps “make work pay,” transitioning families to self-sufficiency. For every additional dollar a food stamp recipient earns, her or his benefits decline by about 30 cents. Families that receive food stamps thus have strong incentives to work longer hours or to search for better-paying employment because they will be better off.

Work effort among food stamp recipients is high. Over half of all food stamp recipients are children and another quarter are elderly or disabled. Among the remaining quarter of food stamp recipients, those who could reasonably be expected to work were either working, participating in the Food Stamp Employment and Training program, or were subject to work requirements in another program.

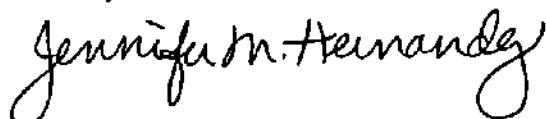
Current waiver authority and policy options appropriately balance the need for reasonable state flexibility while ensuring that the federal structure is maintained. The State of Nebraska currently utilizes over 100 waivers and options within the Food Stamp Program, tailoring the program to feed the needs of Nebraskans. If, however, the federal structure was not maintained (i.e., through a block grant), Nebraska’s children, seniors, disabled, and working families would be significantly harmed.

Although the Program effectively targets benefits to the neediest participants, current food stamp benefit levels are inadequate to allow recipients to obtain a nutritionally adequate diet. The average Food Stamp benefit in Nebraska is \$79.52 per person per month, which is about \$0.88 per meal. Comparing this Food Stamp allotment to the USDA’s Thrifty Food Plan, suggested to be used only in temporary and emergency situations to meet a family’s minimal nutritional needs, families are not able to purchase this most basic nutritional plan with Food Stamps. To purchase the foods suggested in the Thrifty Food Plan, a family of four in Nebraska would spend \$475 per month, with their Food Stamp allotment being \$318 per month. Thus, Nebraska families must still come up with \$157 per month on their own to meet their most basic of nutritional needs. On a daily basis, we speak with families who are unable to meet these nutritional needs and are forced, instead, to buy cheaper, less nutritional foods.

Mr. Secretary, the Food Stamp Program is a huge success in Nebraska and across the country, providing access to food for about 114,000 Nebraskans every month and in 2004, generating \$199,991,778 in local Nebraska economies. While there is still room for improvement (only about 62% of eligible Nebraska recipients receive Food Stamps), **Food Stamps are still the best way to help families put healthy food on the table by adding a significant amount of purchasing power to a family’s budget.**

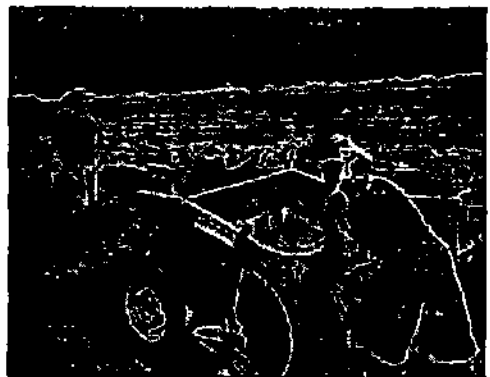
As you prepare to reauthorize the Farm Bill, numerous proposals for changes to the Food Stamp Program are likely to be considered. I urge you to protect the integrity of the Food Stamp Program so that it can continue to respond effectively to the needs of hardworking Americans.

Sincerely,

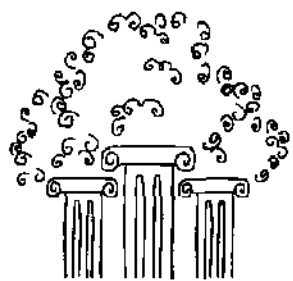
A handwritten signature in cursive script that reads "Jennifer M. Hernandez". The signature is written in black ink and is positioned above the printed name.

Jennifer M. Hernandez, MSW
Community Educator

Food Programs for Nebraska: Feeding Children, Seniors, and Hardworking Families



**Released June 7, 2005
National Hunger Awareness Day**



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Jennifer M. Hernandez, MSW

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